

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
Bismarck, ND 58502**

December 22, 2003

SUBJECT: Rural Business Enterprise Grants and Television Demonstration Grants
RD Instruction 1942-G

TO: All Rural Development Employees

PURPOSE/INTENDED OUTCOME: The purpose of this AN is to provide clarification of the documentation required for the reimbursement of authorized project costs with grant funds (RD Instruction 1942-G, Attachment 1, Section A, II, I, Fund Disbursement).

COMPARISON WITH PREVIOUS AN: This AN replaces ND AN No. 1386 dated November 29, 2002, which expires December 31, 2003.

IMPLEMENTATION/RESPONSIBILITIES: The servicing office will be responsible for proper documentation prior to reimbursing the recipient for authorized grant funded projects.

Except for loans from revolving funds, grant funds will be disbursed on a reimbursement basis. The financial management system of the recipient organization shall provide for effective control and accountability of all funds, property and other assets.

Grantees shall provide satisfactory evidence that all expenditures were made for authorized grant purposes. Your file should contain, at a minimum but not limited to, the following to support each reimbursement voucher:

1. Wages
 - (a) Who was paid (name of individual).
 - (b) Hourly rate.
 - (c) Total hours worked.
 - (d) Total dollars paid.
 - (e) Brief description of work done.

EXPIRATION DATE:
December 31, 2004

FILING INSTRUCTIONS:
Following RD Instruction 1942-G

USDA Rural Development is an Equal Opportunity lender, provider, and employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, D.C. 20250-9410.

2. Travel

- (a) A brief statement indicating that travel was necessary for the grant.
- (b) Name of traveler.
- (c) Where did they travel (from one destination to another).
- (d) Date(s) of travel.
- (e) Cost of travel, including copy of motel room receipts, commercial transportation tickets, etc.

3. Telephone expenses

- (a) Caller and who was called.
- (b) Purpose of call.
- (c) Amount of each call.
- (d) Brief summary of purpose of the call.

4. Supplies

- (a) A brief statement on why or how the supplies apply to grant.
- (b) Who were supplies purchased from.
- (c) Cost, with copy of paid sales slip or invoice.

5. Contract

- (a) A brief statement on purpose of contract.
- (b) Date when work was done.
- (c) Amount of contract paid.
- (d) Copies of all invoices showing date paid.

6. Equipment purchased

- (a) A brief statement on need for equipment.
- (b) Description of equipment purchased which includes the serial numbers.
- (c) Copy of paid invoice showing date delivered, cost of equipment and date paid.

/s/ Clare A. Carlson
CLARE A. CARLSON
State Director